

Review Checklist Update

For Reviewers of Owner Submitted and HUD Procured Rent Comparability Studies - July 9, 2014

Source Information

- Section 8 Renewal Policy Guide
- Preparation Sections 9-7/15
- Review Sections 9-17/20
- Website location
- http://portal.hud.gov/hudportal/HUD?src=/progra m_offices/housing/mfh/mfhsec8



Summary of Training

- Discussion of new Initial and Substantive Checklists
- Highlight shortcomings
- No new policies in this presentation



Checklist

- Excel format
- Cover sheet
- Initial Screening
- Detailed Compliance Review
- Rent Grid Analysis
- Issues Memo
- Certification

Review Checklist

Part - I Initial Review

Purpose: Evaluates completeness and timeliness as per section 9-14, 9-16 and 9-19

Part - II: Substantive Review

Purpose: Evaluates compliance with sections 9-7 through 9-15. Comprised of two parts (a) Detailed Screening and (b) Rent Grid Analysis

Part - II b: Issues / Follow up from Substantive Review

Purpose: Provides a standardized template for documenting issues that require follow up with RCS Appraiser

Part - III: Certification from Substantive Reviewer

Purpose: Provides a confirmation and certification from Substantive Reviewer regarding RCS's compliance with HUD's guidance. Also, contains documentation of PBCA approval of RCS.



Part I Initial Review Reviewer Data

- Project name
- HUD Section 8 contract number
- Receipt date in office*
- Contract expiration date
- PBCA/TCA name

Comparation, (7) Legator Map for Bubject and projusions (one set of explanations for each Re	
of review follow-up :	
	a of www. (2) Chairmean of Bulgard Property of Companyation, (2) Loader May be to Bulgard and the property of the control of the control of the control of the control of the control of f review follow-up:



Reviewer data

- Initial reviewer name
- Substantive reviewer name (may not know)
- Owner cover letter*
- Appraisers Certification
- Appraiser's transmittal
- Documents in order per Section 9-14*



RCS Document Compliance Check

- Are all items in Section 9-14 included?
- Are all items in Section 9-16 included?
- Is market area map included?
- Was comp selection explained?



Document Review (cont'd)

- Rent Grid primary Section 8 unit type
- Explanation of how market rents derived for secondary unit types
- Explanation of Rent Grid adjustments
- Explanation how market rents derived from adjusted rents



Timeline compliance check

- Date of appraisers transmittal
- Did appraiser complete certification
- Is date within 90 days*
- Did appraiser update the information
- Date of the RCS
- Date of RCS collection of data
- Date of owner's submission



Conclusions

- Check incomplete or
- Met Minimum requirements
- Date of follow up with appraiser
- Reviewer certification

PROPERTY NAME: XXXXXXXXXXXX	Fill with Data Requested	Red Flags
PROPERTY NAME: XXXXXXXXXXXXX	or Yes / No / N/A	(Self-Populated)
A Reviewer Data 1) Project Name		
1) Project Name 2) Contract Number		
3) Date HCS Received		
4) Contract Expiration Date		
5) Name of PBCA/TGA		
6) Name of RCS Approiser		-
7) Name of Reviewer performing 'initial Review'		-
8) Name of Roviower performing Substantilve Review		
B. RCS Documentation Compliance Check	_	
Signed and dated Owner's Cover Letter as per Section 9-16 Signed and dated Appraiser's Certification		
10) Signed and dated Approiser's Certification 11) Signed and dated Approiser's Transmittal Letter		
12) RCS submitted and contacts in the order presented in Section 9-14*		
13) Are all of the items in Section 9-14 of the Guide inductor?		
149 Are sit of the items in Section 9-16 of the Guide inducted?		
15) is market area identified by locator maps?		
16) Was the selection of comparables explained 47) is a Reet Orid included for at least every primary Section 5 unit type?	-	
18) Did the approximat suplain how market rent were derived for any secondary unit types?		
19) Did the approximat explain the adjustments in each Rent Crid?		
20) Did the appraiser explain how market rent was derived from adjusted rents?		
C. Timeline Compliance Check		
21) Date of RCS Apposisor's Transmittal Letter	Ĭ	
22) Did the appraiser sign the conflication/ fill in the blanks/ enter license information?		
23) is the side on the RCS appraiser's over letter within 10 celebrar days of the size the owner submitted the study?		
24) Did the appraiser update the data in the RCS within 90 calendar days prior to his report?		
25) Date of RCS		-
26) Date of RCS collection of data (generally provided in Scope of Work) 27) Date of Owner's submission to HUD (should be the date of the Owner's Letter)	-	+
Decision 3:14 requires the following contents submitted in the following enter: [1] Appresser's Transmittal Letti	ir. (2) Boose of Werk, (3) Description of Br	Egect Property (with corer
Tables 9.4 disputs the District, processed advisition in the Biologic good, II (Applicate or Executed Letter Processe, II) Resortions of Abusert Marker Abus, II (Comprised the Representation, III) (Intelligence of Representation of Comprising and III) (Intelligence of	Date of review follow-up :	
Rent Comparability Study MET MINIMUM Requirements for I certify that the RCS contents are complete and is submitted in a timely m		nents.
Print Name:	Signature:	
Date :		
Next Steps: RCS sent to x000000000 for Substantive Review on X000000000.		



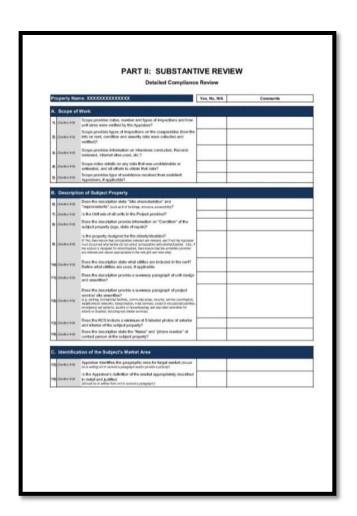
"Part II" Substantive Review

- 39 Questions
- Section of Guide citation
- Designed to ease review of RCS



Scope of Work

- Five questions
- Dates, numbers and types of inspections
- Inspections of comps
- Information on interviews
- Data not obtainable
- Help from assistants





Description of Subject

- Nine Questions
- Site characteristics and improvements
- Unit Mix
- Condition
- Designation for Elderly/handicapped
- Utilities included in rent



Description of Subject

- Paragraph of unit design and amenities*
- Paragraph of project services and amenities
- Five labeled photos of exterior and interior
- Contact information



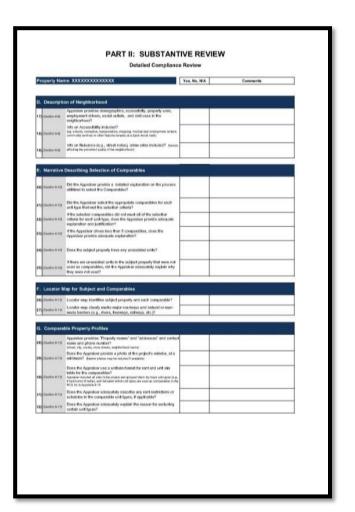
Subject Market Area

- Identification of geographic area
- Is definition appropriately described and justified



Neighborhood

- Demographics, accessibility, property uses,
- Employment drivers, social outlets and civil uses*
- Accessibility
- Nuisances*





Selection of Comps

- Detailed explanation of the process
- Appropriate comparables for each unit
- If no then is adequate explanation provided
- If less than five then is justification provided
- Does subject have unassisted units
- If so, then justify why not used



Locator Map

- Identify subject and comps
- Roads, barriers, rivers, railroads



Comps

- Names addresses and contact information
- Photos of exterior
- Uniform format for rent and unit mix table
- Description of rent restrictions or subsidies
- Explanation of exclusions of unit types



Rent Grid Analysis

Rent Grid Analysis for Each Rent Grid in the RCS



Analysis of Adjustments

- Do the entries match the rent grid?
- Do the entries for comps match the Comparables Property Profiles?
- Are the adjustments uniform?
- If not are the differences explained?
- If appraiser adjusted market rent of primary unit type to arrive at secondary unit type is the explanation reasonable?



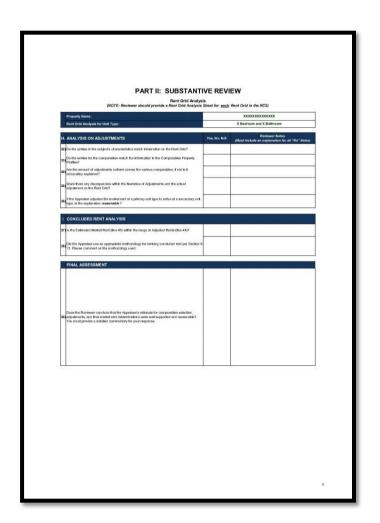
Concluded Rent Analysis

- Is the estimated market rent within the adjusted rents?
- Did appraiser use appropriate methodology?
- Comment on methodology



Final Assessment

- Is rationale for comp selection, adjustments and final market rent well supported and reasonable?
- Provide commentary





Part II (b) "Follow Up"

- To be sent to the PBCA
- PBCA contacts Appraiser
- Informal communication between reviewer and appraiser encouraged.





Certification of Substantive Reviewer

- Reviewer completes and signs the top portion
- Portion in gray completed by the PBCA
- Document is included in the project file.

